

<p><b>Risk Assessment</b></p> <p><b>HIGH</b> 0  <b>MEDIUM</b> 0  <b>LOW</b> 16</p>	<p style="text-align: center;"><b>Benenden Parish Council</b>  <b>INTERNAL AUDIT 2025-2026</b>  <b>AUDIT PLAN WITH COMMENTS / FINDINGS</b></p> <p>I am pleased to report to Members of the Benenden Parish Council (the “Council”), that I have completed my annual year-end internal audit of the Council’s records for the twelve-month period to 31 March 2026, following my audit visit and subsequent conversations on 8 May 2026.</p> <p>Councillors should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor do I actively seek evidence of breaches of trust or statute, neglect or fraud, which may have taken place. It is the responsibility of the Councillors of the Council to guard against such events, but if during my audit testing such events are discovered I am duty bound to disclose such events to the Council.</p> <p>I would like to take this opportunity to thank the Clerk/RFO, Ms Caroline Levett for her assistance given to me during my audit visit.</p>	
<p style="text-align: center;">Area</p>	<p style="text-align: center;">Item</p>	<p style="text-align: center;"><b>Comments / Findings</b>  Year-end Audit 8 May 2026</p>
<p><b>Previous Audits</b></p>	<ul style="list-style-type: none"> <li>• <b>Date of last External Audit Certificate or Exemption Certificate for 2024-25</b></li> <li>• Comments if any</li> <li>• Publication on website.</li>   <li>• Date of last Internal Audit</li> <li>• Comments if any</li>   <li>• Review of any items outstanding from previous internal / external audit reports.</li> </ul>	<p>Forvis Mazars LLP signed off the Report &amp; Certificate 2024-25 on 5 Sept 2025. Received by Council 15 Sept 2025 Min 8b, noting the following comments :-</p> <p>There was one “other matter” referred to in the External Auditor’s report relating to the failure to meet the required declaration that the published accounts were unaudited at the time of posting to the website in June 2025 and the public rights declaration was not complete. As a result the Council MUST answer “NO” against the Assertion No. 4 on Section 1 of the 2025-26 AGAR relating to the exercise of public rights.</p> <p>Easy to find AGAR documents on the website including the statutory Notices.</p> <p><b>Internal Audit report 2024-25</b> – considered in detail by the Resources Comm 23 June 2025 Min 5 – there are various references to the actions taken by the Council in response to the Internal Audit Recommendations mentioned later in this Report eg change of website to .gov.uk address and accompanying email addresses for all Clrs and the Clerk (clerk@benendenparishcouncil.gov.uk) noted by Council 21 July 2025 Min 8.b</p>
<p><b>Minutes</b></p>	<ul style="list-style-type: none"> <li>• Review of the Council minutes in particular the full Council meetings and the Committees responsible for Governance &amp; Finance matters.</li> <li>• <b>General Power of Competence (GPC) ?</b></li> <li>• Dispensations in place eg - S.40 LA&amp;A Act 2014 filming/recording</li> </ul>	<p>Minutes are well presented and readily available for the casual visitor to the Councils website to view. The “planning and financial items” are particularly well minuted.</p> <p>The Reports received from Kent CC and TWBC Cllrs were now added to the website as additional reports on the Agenda &amp; Minutes webpages from Dec 2025. <b>I suggested to the Clerk that she differentiates the Cllrs representing KCC and TWBC from the attendance listing of Parish Councillors. The casual visitor to the Council’s website would not readily understand that the Cllrs listed at the top of the Minutes were not all Parish Councillors.</b></p>

<p><b>Code of Conduct/ Acceptance of Office</b></p>	<ul style="list-style-type: none"> <li>• Date adopted</li> <li>• Any changes in elected/co-opted members since last Audit visit?</li> <li>• DPI's complete</li> <li>• DPI's on website or weblink</li> <li>• New Governance Compliance <b>inc Councillor's Statement of Compliance (Sept 2025)</b></li> </ul> <p>NEXT ELECTION ?</p> <p><b>Local Govt Restructuring in Kent</b></p>	<p>In April 2025 there was a complement of 8 Councillors in post and 1 vacancy.</p> <p>Co-option of Debbie Ham – Council 16 June 2025 Min 12a effective from Sept 2025 - Council 15 Sept 2025 Min 1                  Cllr Driver death reported – Council 15 Sept 2025                  Cllr Hagan resignation minuted Council 20 Oct 2025 Min 4                  Cllr Cruse resigned 21 Feb 2026 – Council 16 Mar 2026 Min 10a                  Mr McMillan and Mr Taylor co-opted Council 16 Feb 2026 Min 1</p> <p><b>Parish Election May 2026. UNCONTESTED Cllrs Beveridge, Cochrane, Grant, Ham, Lewis, McMillan, Taylor and Thomas duly elected leaving 1 vacancy. DPI's to be renewed and forwarded to TWBC for uploading onto their website</b></p> <p><b>Devolution</b>                  I noted that the TWBC representative stated that TWBC preferred the proposal for a West Kent Unitary Authority to include Maidstone, Sevenoaks, TMBC &amp; TWBC with ongoing discussions about the “parishing of non parish areas” of central Tunbridge Wells (Option 3a)</p>
<p><b>Standing Orders (SOs) and Financial Regulations (FRs)</b></p>	<ul style="list-style-type: none"> <li>• Have they been formally adopted and applied?</li> <li>• Any changes been since they were adopted or the last audit and minuted?</li> <li>• Are Procurement Thresholds in place (local councils must comply with the Procurement Act 2023 especially for goods &amp; services with total value over £207,720 inc VAT from 1 Jan 2026) and consistent between SOs &amp; FRs and changes formally adopted by the Council?</li> <li>• <b>Virtual Meetings / Delegation to Clerk/RFO still in place ?</b></li> <li>• <b>Updated re New NALC Models SO's 2025, Fin Regs 2025 ?</b></li> </ul> <p>Two signature rule still in place?</p>	<p>Council 17 March 2025 Min8d agreed changes to the Fin Regs to take account of the Procurement Act 2023 and Procurement Regulation 2024.</p> <p>Council agreed the amended Standing Orders and Fin Regulations as recommended by the Resources Comm 29 Nov 2025 Mins 6 &amp; 7 endorsed by Council 15 Dec 2025 Min 8.bi and bii</p>
<p><b>Risk Management</b></p>	<ul style="list-style-type: none"> <li>• <b>Risk Assessments</b> – Are they:</li> <li>• Carried out regularly?</li> <li>• Adequate?</li> <li>• Reported in the minutes?</li> </ul>	<p><b>Not applicable</b></p>

	<ul style="list-style-type: none"> <li>• <b>Inspections of play equipment etc if carried out by staff/Cllrs have they been trained, accredited?</b></li> <li>• <b>ANNUAL REVIEW ?</b></li>   <li>• <b>Insurance cover</b> – is it:             <ul style="list-style-type: none"> <li>• Appropriate/Adequate?</li> <li>• LTA in place?</li> <li>• Reviewed regularly?</li> <li>• Fidelity Guarantee Cover £ (Balances + ½ Precept)</li> </ul> </li>   <li>• <b>Internal controls</b> – are they:             <ul style="list-style-type: none"> <li>• Documented?</li> <li>• Adequate?</li> <li>• Reviewed regularly?</li> </ul> </li> <li>• <b>Statement of Internal Control (SIC)?</b></li>   <li>• <b>Systems and Procedures</b> – are they:             <ul style="list-style-type: none"> <li>• Documented?</li> <li>• Adequate?</li> <li>• Followed?</li> <li>• Reviewed regularly?</li> </ul> </li>   <li>• <b>IT Policy covering digital and data compliance 2025 NALC template update Nov 2025 designed to meet 1.54 of then Proper Practices (March 2025) and Assertion 10</b></li> </ul>	<p>The Resourcing Committee – 29 Nov 2025 Min 8 reviewed the Risk Management Plan, no changes required.</p> <p>Resourcing Comm 23 June 2025 Min 8 advised of the renewal due 1<sup>st</sup> Aug 2025, Clerk awaiting quotations. Resourcing Comm 29 Nov 2025 Min 11 agreed Gallagher/Hiscox quote for renewal (1 year only to 31 July 2026), NFU do not provide cover for PC's and the past claim for the Well Damage complicated any quote from Zurich Municipal.</p> <p>Fidelity cover is £150,000</p> <p><b>The Benenden Allotment Association runs the allotments and is responsible for the insurance arrangements.</b></p> <p>The Policies and Procedures webpage 9 items posted to the website including the Standing Orders &amp; Financial Regulations and the Risk Assessment Management Plan Others include Fly Posting Policy and Beacon Lighting Risk Statement</p> <p>Resources Comm 23 June 2025 Min5a agreed a new Reserves Policy in line with the Good Cllrs Guide 2025 Edition – to maintain a minimum of 3 months and a max of 12 months spend as its General Reserve. Noted by Council 21 July 2025 Min 8.b</p> <p>Council 16 Feb 2026 Min 9b – advised by the Clerk of an updated IT Policy template produced by NALC. Council also advised of other criteria for Digital &amp; Data Compliance – 20 April 2026 Min 8biii</p>
<p><b>Budgetary Controls</b></p>	<ul style="list-style-type: none"> <li>• Is the annual budgeting process reported and approved by the full Council?             <ul style="list-style-type: none"> <li>○ <b>Budget/Precept amounts minuted?</b></li> </ul> </li> </ul>	<p>Resources Committee 23 June 2025 Min 4 considered the Budget Monitoring Report for the 1<sup>st</sup> Qtr to 20 June 2025. Council 15 Sept 2025 Min 9b Budget Monitoring to 31 Aug 2025.</p> <p><b>Summary budgetary information for 2025-26 is available on the website.</b></p>

	<ul style="list-style-type: none"> <li>○ <b>Review of All Reserves included as part of the Budget Setting Process?</b></li> <li>● Is the actual performance against the budgets reported to the Council during the year <ul style="list-style-type: none"> <li>○ Compare with Fin Regs requirements?</li> </ul> </li> <li>● Are significant variances explained in sufficient detail?</li> </ul>	<p><b>Budget and Precept proposals for 2026-27</b></p> <p>The proposed Resourcing Committee 29 Nov 2025 Min 13 Precept recommendation for 2026-27 was an increase from £52,000 to £54,050 and a Budget Spend of £55,250 excluding vat. endorsed by Council 15 Dec 2025 Min 8.biii</p> <p>Band D based on a 2026-27 Tax Base of 1003.18, and a Precept of £54,050 = £53.88 a decrease of £0.02pa (0.0% increase).</p>
<p><b>Section 137 expenditure if relevant (GPC adopted?)</b></p> <p><b>£11.10 FOR 2025-26</b> (£10.81 FOR 2024-25)</p>	<ul style="list-style-type: none"> <li>● What is the cash limit for the year?</li> <li>● Is a separate account/analysis kept?</li> <li>● Has the cash limit been exceeded?</li> </ul> <p>Have the spending powers been properly used and Minuted?</p>	<p>Council advised of the S137 exp limit to increase to £11.10 per elector for 2025-26. Council 22 April 2025 Min 8c</p> <p>Sect 137 spend in 2024-25 totalled £5,320, the spend in 2025-26 rose to £12,695</p> <p>Resources Comm 23 June 2025 Min 9 agreed donations of £100 each to Air Ambulance and Home-Start South West Kent.</p> <p>Council 15 Dec 2025 Min 8c &amp; 16 Mar 2026 Min 8b – grant to Community Village Shop £3,570 and £4200, Benenden Village Hall (lighting replacement) £4,320</p> <p>BVT £4,045 via take over of the tree felling contract and therefore NOT S137 grants.</p> <p><b>NB limit for 2026-27 is £11.60</b></p>
<p><b>Book-keeping</b></p>	<ul style="list-style-type: none"> <li>● Cashbook - is it:</li> <li>● Fit for purpose?</li> <li>● Arithmetically correct?</li> <li>● Balanced regularly?</li> <li>● Reported to Council regularly?</li> </ul> <ul style="list-style-type: none"> <li>● <b>Turnover above £200k pa ? Income &amp; Expenditure basis of accounting?</b></li> <li>● Record keeping and the arrangements in place to store previous year's accounts etc.</li> <li>●</li> </ul>	<p>Excel</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p><b>Not applicable, the Council accounts on a “receipts and payments basis”</b></p>
<p><b>Petty Cash</b></p>	<ul style="list-style-type: none"> <li>● Has the amount of petty cash float been agreed?</li> <li>● Are all petty cash entries recorded?</li> <li>● Are payments made from petty cash fully supported by receipts / VAT invoices?</li> </ul>	<p>N/A</p>

	<ul style="list-style-type: none"> <li>• Are petty cash reimbursements signed for?</li> <li>• <b>Date of last petty cash reimbursement/top-up?</b></li> <li>• Is petty cash balance independently checked regularly</li> </ul>	
<p><b>Payroll</b></p>	<ul style="list-style-type: none"> <li>• <b>Who is on the payroll and are contracts of employment in place?</b></li> <li>• Who is the RFO?</li> <li>• <b>Annual Appraisal in place ?</b></li> <li>• Have there been any changes to the establishment and/or changes to individual contracts during the year?</li> <li>• <b>Members Allowances in place and paid via payroll system?</b></li> <li>• Have new appointments and changes to contracts been approved and minuted?</li> <li>• Do salaries paid agree with those approved by the Council?</li> <li>• Have PAYE/NI/Pension requirements been properly applied and accounted for?</li> <li>• Payroll outsourced?</li> </ul> <p><b>WORKPLACE PENSION IN PLACE</b></p>	<p><b>No changes to the payroll system during 2025-26.</b></p> <p>The Clerk is the only employee working 15hrs pw.</p> <p>Payslips and quarterly statements produced summarising the HMRC payments were inspected and found to be in order.</p> <p>Pay award arrangements for the Clerk considered Resourcing Committee on 29 Nov 2025` Min 10, endorsed by Council 15 Sept 2025 Min 12 in line with the National Pay Award. Backdated to 1<sup>st</sup> April 2025, paid in the Sept 2025 salary.</p> <p>Year-end P60 &amp; P11 inspected</p> <p>T P Jones &amp; Co – Payroll administration services</p> <p>NEST workplace pension scheme in place. Resources Comm 23 June 2025 Min 5e approved the increase in the Employer’s contribution (from 3% to 5% matching the employee contribution)- to the NEST pension scheme with immediate effect. noted by Council 21 July 2025 Min 8.b <b>The Pensions Regulator “re-declaration of compliance” completed 14 April 2026 (valid for 3 years), Council 20 April 2026 Min 8v</b></p>
<p><b>Payments</b></p>	<ul style="list-style-type: none"> <li>• Are all payments recorded and supported by appropriate documentation?</li> <li>• Are payments minuted?</li> <li>• Review of DD’s and SO’s ?</li> </ul>	<p>Monthly transaction report considered by Council at every meeting and a list of approved payments include in the Minutes, showing method of payment, payee, details of payment and amount. Most payments are made by BACS.</p> <p>DD’s in place for the bank charges, website &amp; emails (HugoFox) printer lease and NEST pension.</p>

	<ul style="list-style-type: none"> <li>● <b>STAFF costs definition for inclusion in Box 4 for 2025-26, check parity with 2024-25 ? Currently includes salary, tax, NIC &amp; Pension (employee &amp; ers) + taxable benefits ( home working allowance, broadband &amp; phone allowance etc NOT incl.)</b></li> <li>● Has VAT been identified, recorded and reclaimed?</li> <li>● Have internal control procedures inc. segregation of duties been adhered to?</li> <li>● <b>Contracts:</b> <ul style="list-style-type: none"> <li>○ What contracts exist?</li> <li>○ Compliance with SOs &amp; FRs for letting of contracts?</li> <li>○ Have any new contracts or contract variations and/or extensions been awarded in the year?</li> <li>○ Have contract payments been made in accordance with the contract document?</li> </ul> </li> </ul>	<p>Definition applied by the Clerk is in line with the AGAR requirement.</p> <p>Vat claim for 2024-25 £5,938 submitted 8 May 2025 Reimbursed 13 May 2025  <b>Vat claim for 2025-26 - £4,954 to be submitted</b></p> <p><b>Contracts in place during 2025-26</b>  T P Jones &amp; Co – payroll admin  F&amp;C Cleaning – Public Convenience Cleaning following completion of the new toilets.  Tompsett Landscaping – Grounds Mtce, (Contract for 2026-27 agreed by Council 16 Mar 2026 Min 8d)  O2 – Office/Mobile Phone now out of contract monthly cost relates to the usage. <b>There are cheaper options such as Giff Gaff and Tesco Mobile who bith piggy-back the O2 network if that the preferred provider.</b>  Mr &amp; Mrs Durnell – war memorial mtce/upkeep (re-imbursed the cost of plants etc.)  Grenke Leasing – replacement printer facility contract with Corporate Finance terminated (Council 20 Oct 2025 Min 10a)  Military Grave Restorer – War memorial cleaning (one-off clean)  Advanced Tree Solutions – tree felling due to honey fungus disease Iden Green and Benenden Rec Grounds.</p>
<p><b>Receipts</b></p>	<ul style="list-style-type: none"> <li>● Are all receipts recorded correctly?</li> <li>● Are all receipts promptly banked?</li> <li>● Precept, CTSG and Sect 106 &amp; CIL payments</li> <li>● <b>Are income records inc allotments, burials, hirings adequate?</b></li> <li>● Are invoicing arrangements adequate including VAT where applicable?</li> </ul>	<p>Receipts reported to Council on a monthly basis. Other than the VAT refund of £5,939 mentioned above the other main receipts related to £7,000 KCC grant towards the Wildflower Meadow and bank interest of £1,823 (2024-25 - £1,464).</p> <p>Precept 2025-26 = £52,000</p> <p><b>Not applicable</b></p>

<p><b>Bank reconciliation &amp; PWLB Loans</b></p>	<ul style="list-style-type: none"> <li>• What current/deposit accounts exist?</li> <li>• <b>Investment Strategy recommended where bank balances are in excess of £100k.</b></li> <li>• <b>FSCS aware/compliant – protection value increased to £120k from Dec 2025, BUT only for Councils with an annual budget below 500,000 Euros equivalent to £430,600 approx.</b></li> <li>• Are bank reconciliations regularly carried out for each account and signed off by Councillors?</li> <li>• Year-end Level of Balances to Precept ratio</li> <li>• Are the cheque counterfoils, paying-in books and bank statements adequately referenced?</li> <li>• When was the last review of the banking arrangements?</li> <li>• <b>Internet Banking?</b></li> <li>• <b>Debit/Credit Card?</b></li> <li>• <b>and if in place Financial Regs up to date ?</b></li> <li>• Signature review (Two signatures required?)</li> <li>• Any PWLB loans in place ?</li> </ul>	<p>As at 31 March 2026 the bank balances were:-</p> <p>Unity Trust c/a (8394)            - £7,707          Unity Trust Savings a/c (5653)   - <u>£63,287</u>  <b>TOTAL net funds available   = <u>£70,994</u></b></p> <p>No card facility</p> <p>Parish Councillor responsibilities including bank signatories approved Council 16 Sept 2024 Min 5. Cllrs Beveridge, Cochrane, Lewis and Thomas (existing signatories) and Bank Reconciliation check – Cllr Grant Signatories will remain the same as all the above Cllrs were re-elected in the May 2026 uncontested election</p> <p>No loans</p>
<p><b>Assets changes Asset Register (AR) and Investment Register if applicable.</b></p> <p>Loans by the Council</p>	<ul style="list-style-type: none"> <li>• Are all the material assets owned by the Council recorded in an AR ?</li> <li>• Is the AR up to date?</li> <li>• Basis of Asset Values and Reviews</li> <li>• Are long-term investments recorded?</li> </ul>	<p>The Asset Register value as at 31 March 2025 = £27,452</p> <p>Council 20 April 2026 Min 8iv - Resources Comm reviewed the Asset Register updated with the addition of the Clerk's mobile phone.</p> <p><b>New Assets</b>  <b>Mobile phone - £1,000 Clerks phone using O2 service 15 Dec 2025 Min 8d</b></p> <p><b>Disposals - Nil</b></p>

	<ul style="list-style-type: none"> <li>• Does the AR show the insurance values ?</li> <li>• Digital Photographic evidence?</li> <li>• Is there a separate Inventory List of low value items (e.g. below the insurance excess levels) ?</li> <li>• Loans to local bodies including any indemnities in place.</li> </ul>	<p><b>Asset Register value as at 31 March 2026 = £28,452</b></p>
<p><b>Year-end procedures</b> <b>Inc. AGAR</b></p>	<ul style="list-style-type: none"> <li>• Does the <b>2025-26 AGAR Statement of Accounts</b> agree with the cashbook?</li> <li>• Is there an audit trail from the financial records to the accounts and have debtors and creditors been properly recorded?</li> <li>• <b>Date of approval of 2024-25 AGAR &amp; Certificate of Exemption criteria met, exemption declared</b></li> <li>• <b>PROOF of public rights provision during summer 2025 &amp; website– AIAR ICOs</b></li> <li>• <b>Public Inspection Period Minuted ?</b></li> <li>• Governance compliance regime - refer to <b>Practitioners' Guide 2025</b></li> </ul>	<p>Accounting records were checked against the figures to be used in the AGAR Statement of Accounts for 2025-26, including the Bank Reconciliation.</p> <p>The AGAR 2024-25 was approved by Council 19 May 2025 Mins 10c.i &amp; 10c.ii, the RFO had signed off the Statement of Accounts on 9 May 2025</p> <p><b>Date of Announcement - 2 June 2025</b> <b>Public Inspection period – 3 June to 14 July 2025</b> <b>Evidence – Date of posting to the website 2 June 2025 as evidenced by the website “back-screen”</b></p> <p>The Council 19 May 2025 Min 10c.iii noted the proposed Public Inspection Period as mentioned above.</p>
<p><b>Additional tests – (as necessary)</b></p>	<ul style="list-style-type: none"> <li>• Computer systems:             <ul style="list-style-type: none"> <li>○ The procedures for the backing up of computerised records</li> <li>○ Council owned PC/laptop ?</li> <li>○ <b>Email security</b></li> <li>○ <b>Encryption of data?</b></li> </ul> </li> </ul>	<p>Resources Comm 23 June 2025 Min 5b concerned the website changeover to a new .gov.uk site provided by Hugo Fox.</p> <p>Min 5c similarly dealt with the changeover of the Cllrs and Clerk’s email addresses to .gov.uk format.</p> <p>Min 5d approved the new IT Policy based on the NALC Template to satisfy the new Assertion 10 on the AGAR Section 1 as mentioned below. Noted by Council 21 July 2025 Min 8.b</p>

	<ul style="list-style-type: none"> <li>• <b>Trust Funds/Charities – Charity Commission filing?</b></li> <li>• Annual review of the effectiveness of Internal Audit inc. Appointment of IIA</li> <li>• <b>Website host and Webmaster and any changes?</b></li> <li>• <b>Website functionality &amp; accessibility NALC L09-18</b></li> <li>• <b>TRANSPARENCY CODE compliant especially for Exempt Authorities</b></li> <li>• <b>Post GDPR (May 2018)</b> <ul style="list-style-type: none"> <li>○ Privacy Notice</li> <li>○ Cllr email addresses?</li> <li>○ Email disclaimer</li> </ul> </li> </ul> <p><b>Other matters inc DPO arrangements</b></p> <p>PRACTITIONERS’ GUIDE 2025  <b>From 2025-26 the AGAR Section 1 Annual Governance Statement will include an additional Assertion 10 Digital and Data Compliance.</b></p>	<p>Not applicable</p> <p><b>Hugo Fox website platform .gov.uk went live Sept 2025 - 15 Sept 2025 Min 10c with a Silver Support Package in place,  In parallel the changeover of email addresses for all Cllrs and the Clerk to .gov.uk address also went live Nov 2025 Council 17 Nov 2025 Min 10c eg clerk@benendenparishcouncil.gov.uk</b></p> <p>The functionality of the website is very good and easy to navigate.  The Accessibility Compliance Statement moved to a more prominent position on the website on the Home Page.</p> <p><b>New gov.uk email addresses for all Councils and the Clerk from Nov 2025</b></p> <p><b>The Council is able to answer “YES” to this new Assertion 10 on the AGAR 2025-26</b></p>
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